 **Central Statistics Office**

PREMIER’S OFFICE

 **GOVERNMENT OF THE VIRGIN ISLANDS**

CONSUMER PRICE INDEX BULLETIN

 March 2017

Rate of Inflation at a Glance

For the month of March, the overall Consumer Price Index stood at 106.99, an increase of 1.4% in comparison to March 2016. This rise was due to increases in the annual average price of items in the following subgroups: Communication; Education; Miscellaneous Goods and Services; Clothing and Footwear; Recreation and Culture; Food and Beverage; Furniture and Household Equipment; Health Services; and Restaurant and Hotel Services.

Annual Comparison

**Communication:** The average price of communication goods and services rose by 9.3% mainly due to increases in the cost for cellular phone service (up 14.3%); home internet (up 5.6%); and cellular phones (up 5.1%).

**Miscellaneous Goods and Services:** This index increased by 6.4%, driven by an increase in the cost of life insurance plans which increased significantly by 66.7%).

**Education:** Education prices went up by 6.2% as the average cost for tuition for primary schools, tertiary education and secondary schools increased (14.3%, 12.4% and 10.8% respectively).

**Clothing and Footwear:** Clothing and Footwear prices increased by 4.0% as a result of increases in the average price of clothing and footwear (up 2.9% and 2.2% respectively).

**Recreation and Culture:** There was a 3.7% increase in this subgroup, attributed to rises in the average price of electronics (up 1.9%); computers and computer software (up 1.8%) and video and computer games (up 1.8%).

**Food and Beverages:** Food and Beverage prices rose slightly by 0.9% as the average price of alcoholic beverages (up 3.9%); nonalcoholic beverages (up 3.6%); other food products such as salt, ketchup, mayonnaise etc. (up 2.8%); sugar and confectionery (up 1.0%); and oils and fats (up 0.3%) increased. Meanwhile other subgroups under this category that usually register increases in prices showed declines; such as fruits (down 4.4%); bread and cereals (down 3.7%); dairy products (down 2.8%); vegetables (down 2.0%) and meat products (down 2.0%).

**Furniture and Household Equipment:** The price of furniture and household equipment increased by 0.7% as the average price of furniture rose slightly by 0.3%.

 **Health Services:** The price of health services rose by 0.7% mainly due to an increase in the price of pharmaceutical products (up 3.9%).

**Restaurant and Hotel Services:** Restaurant and Hotel services registered an upward movement in its prices by 0.5% mainly due to an increase in the average price of accommodation (up 10.6%) and meals and snacks bought out (up 0.4%).

**Transportation**: This price index recorded a decline of 2.1% mainly due to a reduction in the price of airfare (down 15.0%); motor cars and jeeps (down 0.7%); and items for vehicle maintenance (down 0.5%). Meanwhile fuel prices remained high with an increase of 18.1% in gasoline and 20.5% in diesel.

**Housing and Utilities:** Housing and Utility prices decreased by 0.7% as a result of a reduction in the cost of materials for household maintenance by 9.6%.

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| **Monthly Comparison**  There was a slight increase of 0.2% in overall prices between February and March 2017. There were no significant changes recorded among subgroups except for Miscellaneous goods and services prices’ which rose by 6.4% due to an increase in the cost of life insurance plans. See table for other minor changes.**CONSUMER PRICE INDEX: MONTHLY AND ANNUAL COMPARISONS** |
|  **(January 2012=100)** |
|  |  |  |  |  |  |  |
|   |  | **March**  | **February** | **Monthly** | **March**  | **Annual** |
| **Subgroups** | **Weight** | **2017** | **2017** | **Comparison** | **2016** | **Comparison** |
| Food & Non-Alcoholic Beverages  | 147 | 107.57 | 108.42 | -0.78 | 109.05 | -1.36 |
| Alcoholic Beverages  | 14 | 109.04 | 108.71 | 0.30 | 105.74 | 3.12 |
| Clothing & Footwear | 49 | 112.99 | 112.99 | 0.00 | 108.70 | 3.95 |
| Housing & Utilities  | 298 | 101.05 | 101.11 | -0.06 | 101.77 | -0.71 |
| Furniture & Household Equipment  | 39 | 104.54 | 105.30 | -0.72 | 103.84 | 0.68 |
| Health Services  | 32 | 128.93 | 128.93 | 0.00 | 128.06 | 0.68 |
| Transportation | 128 | 96.35 | 98.63 | -2.31 | 98.37 | -2.05 |
| Communication  | 79 | 121.94 | 121.94 | 0.00 | 111.54 | 9.32 |
| Recreation and Culture | 35 | 123.69 | 124.90 | -0.97 | 119.34 | 3.65 |
| Education  | 26 | 110.84 | 110.84 | 0.00 | 104.36 | 6.22 |
| Restaurant and Hotel Services  | 49 | 103.32 | 103.32 | 0.00 | 102.79 | 0.52 |
| Miscellaneous Goods and Services  | 104 | 111.15 | 104.75 | 6.10 | 104.50 | 6.37 |
| All Groups  | 1000 | 106.99 | 106.83 | 0.15 | 105.51 | 1.40 |